

RD AN No. 3600 (1940-L)
December 26, 2000

TO: State Directors
Rural Development

ATTENTION: Multi-Family Program Managers/Coordinators, AMAS
Coordinators, and Rural Development Managers

FROM: James C. Kearney
Administrator
Rural Housing Service

SUBJECT: Allocation of Rental Assistance (RA) for Renewal and
Replacement Needs for Multi-Family Housing (MFH) Projects
for Fiscal Year (FY) 2001

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) allocates RA for renewal/replacement for all types of existing MFH projects.

COMPARISON WITH PREVIOUS AN:

This AN replaces RD AN No. 3497 dated December 9, 1999, which expired September 30, 2000.

IMPLEMENTATION RESPONSIBILITIES:

A. Exhibits A, B, and C lists the number of RA renewal/replacement units allocated to each state for Fiscal Year 2001. The exhibits were developed from summarized data obtained from Servicing and State Office surveys, which were requested by RD AN No. 3588 (1930-C), dated October 18, 2000, "Request for Fiscal Year (FY) 2001 Rental Assistance - (RA) Data for Replacement and Servicing Needs for Multi-Family Housing."

B. Allocation for Renewal and Replacements Needs - Fiscal Year 2001, Exhibits A, B, and C.
RA for renewal/replacement for December 1, 2000, through March 31, 2001, is already loaded on the Automated Multi-Housing Accounting System (AMAS) and ready for obligation. The second quarter (calendar year) beginning April 1, 2001, will be loaded on AMAS the week of March 19, 2001.

EXPIRATION DATE: September 30, 2001

FILING INSTRUCTIONS:
Preceding RD
Instruction 1940-L

The third and fourth quarter beginning July 1, 2001, and October 1, 2001, will be loaded the week of June 18, 2001. The AMAS Coordinator should regularly monitor the AMAS system to ensure that RA units are immediately obligated to targeted properties in order to alleviate an accumulation of unobligated RA units on the system. If any deviation from the allocation is necessary, a "Request for Renewal/Replacement Rental Assistance (RA) Allocation Change," Exhibit D, must be submitted to the National Office for approval. Examples of necessary deviations may be quarter changes due to accelerated RA usage or mistakes in rental coding such as elderly, family or labor housing. All replacement units must be obligated by August 17, 2001.

C. The AMAS Coordinator should regularly monitor the AMAS System during the allocation period to determine the number and type of RA units available to your state(s) at any given time, and to ensure that all allocated replacement RA units have been properly obligated. **ALL OBLIGATIONS SHOULD OCCUR WHEN UNITS APPEAR ON THE AMAS SYSTEM FOR YOUR STATE FOR THE INTENDED PURPOSE OF THE UNITS. PLEASE DO NOT ALLOW RENEWAL/REPLACEMENT UNITS TO ACCUMULATE ON THE SYSTEM OR BE USED FOR OTHER PURPOSES.**

D. Obligation of RA. To obligate RA for a project, there must be a Project Rental Code (FA or EL) in the project record. "Mixed" projects, for the purpose of RA are coded as "Family," "Congregate" and "Group Homes" are coded as "Elderly." The Alpha Code for the RA must validate against the Project Rental Code before the obligation will process. If the project was obligated prior to May 1, 1985, you may need to enter the Project Rental Code by completing screen M5S, "Record Project/Rental Code/Units." **THE TOTAL NUMBER OF RA UNITS OBLIGATED BY A STATE IN ANY CATEGORY MUST NOT EXCEED THE CUMULATIVE NUMBER OF RA UNITS SHOWN ALLOCATED BY QUARTER.** To access AMAS inquiries the allotment key for FY 2001 is 21012 2141437 _____. The last four digits will be the appropriate O&E Code from the FMI of Form RD 1944-51. As a reminder, the six digit number for the Rental Assistance Agreement Number is assigned as follows: First 2 digits - fiscal year of obligation (00); Second 2 digits - numbers(s) in sequential order for each fiscal year starting with 01 (Example 99-01, 99-02, 00-01); third 2 digits - always use 00.

The National Office will be regularly monitoring AMAS to determine the obligation activity of each state. Do not wait until the end of the quarter to obligate the renewal/replacement units.

E. Prorating RA Agreements. If a borrower has multiple RA agreements running concurrently, the RA Agreements must be prorated in a manner for all the agreements to run out at the same time. Exhibit E explains how to process the agreements.

During the review of the State Office surveys, it was noted that numerous offices depleted RA Agreements prior to obligating replacement units. As a reminder, when processing payments, the "unliquidated balance" for each RA Agreement is displayed on the M2A "Project/Loan Payment." RA Agreements should not be depleted prior to obligating replacement units.

The Multi-Family Housing Portfolio Management (MHPM) Division will continue to closely monitor RA activity on the AMAS system for each state. A final clean-up of the AMAS system will be performed on August 17, 2001. Be sure to obligate any RA needed by your state for replacement/renewal purposes prior to this date so as to avoid the need to send a special emergency replacement RA request to the National Office.

F. Transferred RA Units. When transferring RA units from borrowers, review the list of replacement units to determine if the transferring RA units are scheduled to be replaced in this fiscal year. Depending on the situation, units may or may not need to be replaced and the necessary actions should be taken.

If you have any questions, please contact Janet Stouder, Multi-Family Housing Portfolio Management Division at (202) 720-9728.

Attachments

FAMILY ALLOCATION - FISCAL YEAR 2001
O & E CODE: 21012 21414370021

		FAMILY VALUES	RENEWAL/ REPLACEMENT Expiring Jan. - Mar.	RENEWAL/ REPLACEMENT Expiring Apr. - June	RENEWAL/ REPLACEMENT Expiring July - Sept.	RENEWAL/ REPLACEMENT Expiring Oct. - Dec.	TOTAL UNITS	TOTAL DOLLARS NEEDED
1	ALABAMA	18,495	141	84	173	170	568	10,505,160
60	ALASKA	26,253	41	31	38	0	110	2,887,830
2	ARIZONA	19,716	56	32	95	28	211	4,160,076
3	ARKANSAS	17,081	109	209	120	138	576	9,838,656
4	CALIFORNIA	16,362	302	402	628	285	1,617	26,457,354
5	COLORADO	18,796	21	161	69	31	282	5,300,472
6	CONNECTICUT	16,579	0	9	25	0	34	563,686
7	DELAWARE	23,880	0	42	0	31	73	1,743,240
9	FLORIDA	15,965	105	202	215	88	610	9,738,650
10/11	GEORGIA	16,055	192	157	114	149	612	9,825,660
61	HAWAII	34,171	0	6	38	0	44	1,503,524
12	IDAHO	23,618	90	85	129	78	382	9,022,076
13/14	ILLINOIS	16,614	206	175	401	211	993	16,497,702
15	INDIANA	16,128	124	154	171	123	572	9,225,216
16	IOWA	15,874	151	206	113	33	503	7,984,622
18/19	KANSAS	15,961	31	40	63	54	188	3,000,668
20/21	KENTUCKY	17,268	185	70	53	77	385	6,648,180
22	LOUISIANA	18,908	244	129	108	157	638	12,063,304
23	MAINE	25,223	64	54	50	102	270	6,810,210
24	MARYLAND	21,046	0	65	134	66	265	5,577,190
25	MASSACHUSETTS	20,680	6	10	67	19	102	2,109,360
26	MICHIGAN	15,201	68	56	297	293	714	10,853,514
27	MINNESOTA	13,666	85	123	211	101	520	7,106,320
28	MISSISSIPPI	19,677	210	307	229	280	1,026	20,188,602
29/30	MISSOURI	12,869	81	226	205	238	750	9,651,750
31	MONTANA	13,401	36	27	62	16	141	1,889,541
32	NEBRASKA	15,310	93	76	37	74	280	4,286,800
33	NEVADA	22,912	23	6	21	36	86	1,970,432
34	NEW HAMPSHIRE	22,837	65	21	0	18	104	2,375,048
35	NEW JERSEY	15,832	14	18	105	0	137	2,168,984
36	NEW MEXICO	17,867	94	27	69	28	218	3,895,006
37	NEW YORK	18,245	94	107	109	146	456	8,319,720
38/39	NORTH CAROLINA	16,092	210	183	340	453	1,186	19,085,112
40	NORTH DAKOTA	14,472	72	18	78	46	214	3,097,008
41	OHIO	13,967	199	121	143	140	603	8,422,101
42	OKLAHOMA	19,297	71	134	106	141	452	8,722,244
43	OREGON	17,963	131	12	70	127	340	6,107,420
44	PENNSYLVANIA	15,681	0	78	20	164	262	4,108,422
63	PUERTO RICO	25,669	227	383	164	148	922	23,666,818
45	RHODE ISLAND	14,974	0	0	0	0	0	0
46	SOUTH CAROLINA	17,029	55	205	205	199	664	11,307,256
47	SOUTH DAKOTA	19,208	73	41	210	104	428	8,221,024
48	TENNESSEE	14,535	160	164	298	187	809	11,758,815
49/51	TEXAS	16,075	662	463	607	473	2,205	35,445,375
52	UTAH	17,972	95	86	29	36	246	4,421,112
53	VERMONT	22,910	42	0	0	67	109	2,497,190
64	VIRGIN ISLAND	40,737	0	0	0	0	0	0
54/55	VIRGINIA	16,488	0	93	185	87	365	6,018,120
56	WASHINGTON	17,855	95	68	104	277	544	9,713,120
57	WEST VIRGINIA	15,302	40	203	131	70	444	6,794,088
58	WISCONSIN	15,373	121	95	144	229	589	9,054,697
59	WYOMING	20,505	32	39	0	55	126	2,583,630
	NATIONAL TOTAL		5,216	5,703	6,983	6,073	23,975	415,192,105

ELDERLY ALLOCATION - FISCAL YEAR 2001

O & E CODE: 21012 21414370081

		ELDERLY VALUES	RENEWAL/ REPLACEMENT Expiring Jan. - Mar.	RENEWAL/ REPLACEMENT Expiring Apr. - June	RENEWAL/ REPLACEMENT Expiring July - Sept.	RENEWAL/ REPLACEMENT Expiring Oct. - Dec.	TOTAL UNITS	TOTAL DOLLARS NEEDED
1	ALABAMA	15,376	251	150	124	128	653	10,040,528
60	ALASKA	56,754	0	0	15	0	15	851,310
2	ARIZONA	15,131	0	51	0	98	149	2,254,519
3	ARKANSAS	13,189	63	158	106	115	442	5,829,538
4	CALIFORNIA	15,549	85	50	121	320	576	8,956,224
5	COLORADO	17,436	50	70	58	6	184	3,208,224
6	CONNECTICUT	13,406	18	44	42	159	263	3,525,778
7	DELAWARE	20,692	31	0	32	32	95	1,965,740
9	FLORIDA	15,331	157	157	82	0	396	6,071,076
10/11	GEORGIA	11,826	138	220	76	83	517	6,114,042
61	HAWAII	43,642	29	0	0	0	29	1,265,618
12	IDAHO	13,052	101	54	31	0	186	2,427,672
13/14	ILLINOIS	14,045	73	32	78	63	246	3,455,070
15	INDIANA	13,080	39	91	131	25	286	3,740,880
16	IOWA	11,235	119	115	101	186	521	5,853,435
18/19	KANSAS	10,987	37	76	22	54	189	2,076,543
20/21	KENTUCKY	10,399	142	99	130	106	477	4,960,323
22	LOUISIANA	14,146	132	172	78	111	493	6,973,978
23	MAINE	18,194	144	91	206	217	658	11,971,652
24	MARYLAND	18,382	31	0	40	0	71	1,305,122
25	MASSACHUSETTS	19,434	17	0	45	19	81	1,574,154
26	MICHIGAN	11,790	43	93	86	236	458	5,399,820
27	MINNESOTA	12,059	39	84	64	52	239	2,882,101
28	MISSISSIPPI	16,566	123	48	24	103	298	4,936,668
29/30	MISSOURI	7,360	67	118	126	163	474	3,488,640
31	MONTANA	12,257	61	31	0	92	184	2,255,288
32	NEBRASKA	13,415	6	31	24	12	73	979,295
33	NEVADA	18,421	0	32	0	61	93	1,713,153
34	NEW HAMPSHIRE	16,639	145	27	108	12	292	4,858,588
35	NEW JERSEY	21,613	75	67	7	21	170	3,674,210
36	NEW MEXICO	11,050	30	32	39	53	154	1,701,700
37	NEW YORK	15,110	0	87	42	212	341	5,152,510
38/39	NORTH CAROLINA	16,042	162	325	143	105	735	11,790,870
40	NORTH DAKOTA	14,281	3	60	4	0	67	956,827
41	OHIO	11,006	10	221	175	24	430	4,732,580
42	OKLAHOMA	11,786	19	0	27	20	66	777,876
43	OREGON	12,334	93	24	119	6	242	2,984,828
44	PENNSYLVANIA	16,656	110	112	93	108	423	7,045,488
63	PUERTO RICO	18,273	0	0	0	0	0	0
45	RHODE ISLAND	19,025	0	43	0	22	65	1,236,625
46	SOUTH CAROLINA	15,799	128	72	68	245	513	8,104,887
47	SOUTH DAKOTA	13,947	59	33	7	49	148	2,064,156
48	TENNESSEE	11,527	105	0	83	47	235	2,708,845
49/51	TEXAS	12,388	126	181	81	334	722	8,944,136
52	UTAH	14,594	73	0	40	0	113	1,649,122
53	VERMONT	15,856	0	83	28	0	111	1,760,016
64	VIRGIN ISLAND	33,545	22	0	0	0	22	737,990
54/55	VIRGINIA	14,081	41	68	90	26	225	3,168,225
56	WASHINGTON	16,505	73	41	139	135	388	6,403,940
57	WEST VIRGINIA	12,862	61	8	24	73	166	2,135,092
58	WISCONSIN	11,597	61	142	67	187	457	5,299,829
59	WYOMING	9,549	0	33	7	30	70	668,430
	NATIONAL TOTAL		3,392	3,726	3,233	4,150	14,501	204,633,161

LABOR HOUSING ALLOCATION - FISCAL YEAR 2001

O & E CODE: 21012 21414370032

		FAMILY VALUES	RENEWAL/ REPLACEMENT Expiring Jan. - Mar.	RENEWAL/ REPLACEMENT Expiring Apr. - June	RENEWAL/ REPLACEMENT Expiring July - Sept.	RENEWAL/ REPLACEMENT Expiring Oct. - Dec.	TOTAL UNITS	TOTAL DOLLARS NEEDED
1	ALABAMA	18,495	0	0	0	0	0	0
60	ALASKA	26,253	0	0	0	0	0	0
2	ARIZONA	19,716	0	0	0	0	0	0
3	ARKANSAS	17,081	0	0	0	0	0	0
4	CALIFORNIA	16,362	36	130	66	40	272	4,450,464
5	COLORADO	18,796	0	13	0	0	13	244,348
6	CONNECTICUT	16,579	0	0	0	0	0	0
7	DELAWARE	23,880	0	0	26	0	26	620,880
9	FLORIDA	15,965	57	22	0	180	259	4,134,935
10/11	GEORGIA	16,055	0	0	0	0	0	0
61	HAWAII	34,171	0	0	0	0	0	0
12	IDAHO	23,618	0	0	0	24	24	566,832
13/14	ILLINOIS	16,614	0	0	0	0	0	0
15	INDIANA	16,128	0	0	0	0	0	0
16	IOWA	15,874	0	0	0	0	0	0
18/19	KANSAS	15,961	0	0	0	0	0	0
20/21	KENTUCKY	17,268	0	0	0	0	0	0
22	LOUISIANA	18,908	0	0	0	0	0	0
23	MAINE	25,223	0	0	0	0	0	0
24	MARYLAND	21,046	0	0	0	0	0	0
25	MASSACHUSETTS	20,680	30	0	0	16	46	951,280
26	MICHIGAN	15,201	0	0	0	0	0	0
27	MINNESOTA	13,666	0	0	0	0	0	0
28	MISSISSIPPI	19,677	0	0	0	0	0	0
29/30	MISSOURI	12,869	0	0	0	0	0	0
31	MONTANA	13,401	0	0	0	0	0	0
32	NEBRASKA	15,310	0	0	0	0	0	0
33	NEVADA	22,912	0	0	0	0	0	0
34	NEW HAMPSHIRE	22,837	0	0	0	0	0	0
35	NEW JERSEY	15,832	0	0	0	0	0	0
36	NEW MEXICO	17,867	0	0	0	0	0	0
37	NEW YORK	18,245	0	0	0	0	0	0
38/39	NORTH CAROLINA	16,092	0	0	0	44	44	708,048
40	NORTH DAKOTA	14,472	0	0	0	0	0	0
41	OHIO	13,967	0	0	0	0	0	0
42	OKLAHOMA	19,297	0	0	0	0	0	0
43	OREGON	17,963	0	0	20	0	20	359,260
44	PENNSYLVANIA	15,681	0	0	0	12	12	188,172
63	PUERTO RICO	25,669	0	0	0	0	0	0
45	RHODE ISLAND	14,974	0	0	0	0	0	0
46	SOUTH CAROLINA	17,029	0	0	0	0	0	0
47	SOUTH DAKOTA	19,208	0	0	0	0	0	0
48	TENNESSEE	14,535	0	0	0	0	0	0
49/51	TEXAS	16,075	20	0	0	0	20	321,500
52	UTAH	17,972	0	0	0	0	0	0
53	VERMONT	22,910	0	0	0	0	0	0
64	VIRGIN ISLAND	40,737	0	0	0	0	0	0
54/55	VIRGINIA	16,488	0	0	0	0	0	0
56	WASHINGTON	17,855	15	36	40	35	126	2,249,730
57	WEST VIRGINIA	15,302	0	0	0	0	0	0
58	WISCONSIN	15,373	0	0	0	48	48	737,904
59	WYOMING	20,505	0	0	0	0	0	0
	NATIONAL TOTAL		158	201	152	399	910	15,533,353

Date:

TO: Obediah G. Baker, Jr.
Deputy Administrator
Multi-Family Housing

ATTN: Janet Stouder
Fax No. 202-720-0302

SUBJECT: Request for Renewal/Replacement
Rental Assistance (RA) Allocation Change

<u>Borrower's Name</u>	<u>Case & Project No.</u>	<u>No. of RA Units</u>	<u>Units Type</u>
_____	_____	_____	_____

ACTION REQUESTED: (Check one)

1. ____ Need to transfer ____ units from ____ quarter allocation to ____ quarter allocation due to ____.
2. ____ Need to increase/decrease ____ units for the ____ quarter allocation due to ____.
3. ____ Need to transfer ____ units from O&E Code ____ to O&E Code ____.

State Director
State Office - _____

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[] APPROVED use of these funds authorized solely for the above-named borrower and may not be used for any other borrower.

[] DISAPPROVED due to the following reasons: _____.

Please feel free to contact Janet Stouder at (202) 720-9728 should you have any questions.

CARL GRATE
Director
Multi-Family Housing Portfolio
Management Division

DATE

EXHIBIT E

PRORATING RA

The policy for liquidating agreements has always been "'RA should be liquidated against the older agreement first.'" However, for projects with multiple agreements the Servicing Office may do planned liquidation against all available agreements to facilitate renewal of all units at one time in one agreement."

If using the RA amount per agreement formula, the agreements will not always run out at the same time.

Example: [Total RA Amount / Total RA Units x # units (in agreement)]

	Est. Mos. Remaining
10,000 / 98 x 60 (880100) = 6,123	21
10,000 / 98 x 6 (910100) = 612	68
10,000 / 98 x 6 (910101) = 612	89
10,000 / 98 x 6 (920101) = 612	116
10,000 / 98 x 20 (930101) = <u>2,041</u>	113
10,000	

However, there is an easy way to have all the agreements run out at the same time.

- TO PRORATE: (1) Add up the unpaid balances from the M1BI screen.
 (2) Divide the total unpaid balance into each individual agreement's unpaid balance to get the percentage.
 (3) Each month -- take total RA request times each percentage.

M1BI INQUIRE ON RENTAL ASSISTANCE OBLIGATION

ST 00 CTY 000 BORR 123456789 PROJ 01 1
 ANTHONY GARDEN APTS. DEL CORONADO

AGRMNT NUMBER	APPRVL DATE	OBLGN UNITS	TYPE	AMOUNT OBLIGATED	AMOUNT VOUCHERED	UNPAID BALANCE
880100	042688	60	A	662,820.00	532,293.00	130,527.00
910100	083091	6	K	69,354.00	27,765.00	41,589.00
910100	091891	6	K	69,354.00	15,927.00	53,427.00
920101	062593	6	A	75,918.00	4,811.00	71,107.00
930101	092493	20	5	273,240.00	1,558.00	<u>271,682.00</u>
						(1) 568,332.00

(2)	(3)	Est. Mos. Remaining
130,527 / 568,332 x .23 x 10,000 =	2,300	56
41,589 / 568,332 x .07 x 10,000 =	700	59
53,427 / 568,332 x .09 x 10,000 =	900	59
71,107 / 568,332 x .13 x 10,000 =	1,300	54
271,682 / 568,332 x .48 x 10,000 = <u>4,800</u>		56
10,000		

*If units are added or deleted may need to refigure percentages.